



Capital Planning Committee

Capital Plan for FY2023 (July 1, 2022 – June 30, 2023)
5-Year Plan for FY2023 – FY2027

Date: Thursday, January 6, 2022
Time: 5:00pm-7:00pm
Location: Zoom Meeting

Minutes

Attendance: Joseph Barr,
Ida Cody,
Kate Leary,
Kate Loosian,
Phyllis Marshall,
Michael Mason,
Chris Moore,
Sandy Pooler,
Julie Wayman, Management Analyst,
Timur Kaya Yontar.

Not in attendance: Jon Wallach.

Meeting Opened: Mr. Yontar called the meeting to order at 5:05pm.

Approval of Minutes: The minutes from the December 16, 2021 meeting were reviewed and approved by the following vote:

Joseph Barr: Yes,
Ida Cody: Abstain,
Kate Leary: Yes,
Kate Loosian (seconded motion to approve): Yes,
Phyllis Marshall: Abstain,
Michael Mason: Yes,
Chris Moore (made motion to approve): Yes,
Sandy Pooler: Yes,
Jon Wallach: Absent,
Timur Kaya Yontar: Yes.

Future Calendar: Mr. Yontar noted that the next Committee meeting will take place on January 20, 2022, during which three main topics will be discussed:

- Director of Planning and Community Development Jennifer Raitt will present on the recently completed Sustainable Transportation Plan.
- The Committee will further discuss how to fit large projects into the plan in the future.
- The Committee will start preparations for the presentation to the Finance Committee, starting by looking at last year's presentation and then assigning members to make any necessary updates.

Update on the Community Preservation Act Committee (CPAC): Ms. Leary provided an update on the status of CPAC funding requests. Based on current applications, they have requests for approximately \$73,000 more than the available budget, which is a relatively small gap. Revised applications were submitted last week, with presentations scheduled to take place in January and then deliberations and decisions taking place in February and early March. CPAC and Town staff have also asked the entities that typically apply for CPAC funding to start to think about a longer-term (five year) timeframe and how much funding they might need in the future. Ms. Wayman showed the Committee an initial spreadsheet that provides a sense of potential future needs, which will continue to be updated going forward. Mr. Yontar asked about the purpose of the project being discussed for Cooke's Hollow and Ms. Leary indicated that it is focused on environmental conservation, as compared to the larger project that had been proposed for capital funding in the past. The Committee thanked Town staff and CPAC for developing this longer-term funding needs spreadsheet and indicated that it would be helpful in the future.

Large Projects and Debt Service: Mr. Moore summarized the further updates he has made to the spreadsheet that shows the level of future debt service as compared to the overall plan expenditures. After additional updates to the sources and uses of funds, it appears that approximately 2/3 of the yearly funding in the plan is typically being used for debt service, and in years when the debt service is higher than that, the overall capital budget starts to become noticeably tighter. The Committee had questions about how to use this spreadsheet going forward, and Mr. Moore said that he is working on filling in additional information and figuring out how to best use this going forward. He will continue to keep the Committee updated as he makes further changes and enhancements.

Capital Plan Review: Mr. Yontar presented the updated version of the capital plan, which is now balanced both in FY23 and overall over the five years of the plan. This is the version of the plan that was sent to the Committee in advance of this meeting, and included fixing the amount of funding available from the American Rescue Plan Act for school HVAC, adding back some public safety vehicles, and fully accounting for existing debt service. Mr. Yontar then went through the detailed list of changes that allowed for the plan to be balanced.

Mr. Pooler described some changes that were made to borrowing assumptions, including changing the interest rate on Bond Anticipation Notes (BANs) from 2.5% to 2% annually,

and deciding to use BANs for two years of borrowing associated with the Department of Public Works facility, to avoid having to pay back principal for those two years. As an alternative to BANs, they are also looking at a way to structure the bond sale to not require principal repayment in the first two years. Mr. Moore asked whether there is a risk that rates for the eventual bond sale could go up if we do BANs now, and Mr. Pooler agreed that this is a risk, but it may be one that is necessary.

Mr. Pooler confirmed that the changes to the plan that advance, delay, or eliminate specific projects have been made in consultation with the respective departments. Mr. Barr asked about the elimination of the drainage improvements at the Gibbs School, which had previously been presented as an immediate and urgent need. After discussion, Mr. Mason indicated that the drainage work is still necessary and urgent, and requested that an effort be made to add that back into the plan.

The Committee also asked about whether we could use more money from the Antenna Fund to pay for more capital projects. Mr. Pooler recapped where the money comes from (cell phone tower leases in two locations) and reminded the Committee that the money is intended to be used for recreation projects. He also said that adding more money from the Antenna Fund is possible but would not meaningfully change things for the current year. He made the point that adding more money for projects in future years is only a promise (particularly for projects that often see adjustments from year-to-year, such as the Town contribution to roadway repairs), and what really matters is the amount of funding available for the upcoming fiscal year. To that point, Mr. Yontar suggested that the Committee could do more to clearly state the goal of investing more in roads and sidewalks, to at least make a public commitment to this funding priority.

Following the discussion, Mr. Moore made a motion to approve the plan, but including the possibility of minor tweaks based on including the drainage work at the Gibbs School and any updates/adjustments to the prior year debt service, which was seconded by Ms. Leary and approved by the following vote:

Joseph Barr: Yes,
Ida Cody: Yes,
Kate Leary: Yes,
Kate Loosian: Yes,
Phyllis Marshall: Yes,
Michael Mason: Yes,
Chris Moore: Yes,
Sandy Pooler: Yes,
Jon Wallach: Absent,
Timur Kaya Yontar: Yes.

New Business: There was no new business to discuss.

Meeting Adjournment: The meeting adjourned at 6:30pm, based on the following vote:

Joseph Barr: Yes (made motion to adjourn),
Ida Cody: Yes,
Kate Leary (seconded motion to adjourn): Yes,
Kate Loosian: Yes,
Phyllis Marshall: Yes,
Michael Mason: Yes,
Chris Moore: Yes,
Sandy Pooler: Yes,
Jon Wallach: Absent,
Timur Kaya Yontar: Yes.